



New Mexico Environment Department

PROTECTING OUR ENVIRONMENT, PRESERVING THE ENCHANTMENT

CLEAN POWER PLAN **Plan Approaches**

What is an Emission Standards Plan?

- Emission Standards Plans place limits directly on electric generating units (EGUs). Limits may be expressed as a rate (lbs. CO₂ per megawatt-hour) or mass (tons CO₂ per year).
- These limits ensure that the emission performance rates or state goals are met.
- With this type of plan, states must choose from the following options:
 - Rate-based approaches
 - EGU limits are the national emission performance rates calculated by EPA (one rate for steam units and a lower rate for NGCC); or
 - EGU limits are based on the state's rate goal (same rate for both fossil steam and NGCC); or
 - EGU limits determined by the State.
 - Mass-based approaches
 - States place limits on existing EGUs in terms of tons of CO₂ emissions; or
 - States place limits on existing **and new** EGUs in terms of tons of CO₂ emissions. (States determine whether or not to include new EGUs.)

What is a State Measures Plan?

- A State Measures plan includes programs the State either already has in place or plans to put in place.
 - These state measures may include renewable energy requirements, energy efficiency programs, energy-efficient building standards, carbon fees and other measures.
 - State measures may be used to show the State's mass goal achievement with or without limits on EGUs.
- A State Measures plan must be mass-based.
- States must include federally enforceable limits that will be used in case the other state measures don't result in the required emissions reductions. This is called a "backstop."

What type of plan will New Mexico submit?

The New Mexico Environment Department will only decide on a plan approach after we have received input from citizens, organizations and industry. Although the type of plan has not yet been decided, New Mexico intends to submit its own plan by the appropriate deadlines rather than allow EPA to determine a plan for the State. New Mexico can build a better plan than EPA.

What options will New Mexico consider?

All allowable options are currently being considered by the New Mexico Environment Department. Although nothing has yet been decided, likewise nothing has been ruled out. Key decisions that still need to be made include:

- Whether the State will submit an Emission Standards Plan or a State Measures Plan;
- Whether the State will show compliance with the national performance rates (1305 lb/MWh for coal steam units; 771 lb/MWh for NGCC), the State rate goal (1146 lb/MWh), or the State mass goal (12,412,601 tons/year);
- Whether to allow trading as a cost-saving option for affected sources;
- Whether to participate in an early-action incentive program;

- Whether to work jointly with other states or tribes; and
- Specific details about how the Plan will be carried out.

Before the New Mexico Environment Department makes these key decisions, we intend to gather comments and suggestions from a wide variety of citizens, organizations and members of the industry. Once the information is gathered and studied, we will begin working on a draft plan.

The New Mexico Environment Department will share information through several channels. These include:

- Clean Power Plan web page (<https://www.env.nm.gov/aqb/CPP.htm>)
- An email distribution list for announcements (register at <https://public.govdelivery.com/accounts/NMED/subscriber/new>), or request to be added to the distribution list by sending an email to NMENV-NMCP@state.nm.us or calling (505) 476-4300

Comments (or questions) may be delivered to the Clean Power Plan Team in several ways:

- Email (NMENV-NMCP@state.nm.us)
- Written comments mailed to:
Clean Power Plan Team
Air Quality Bureau
525 Camino de los Marquez, Suite 1
Santa Fe, New Mexico 87505
- In person – organizations may request a meeting via email or phone (505) 476-4300